

Dynamic Commodities and AGOA

American distributors in Florida and Wisconsin have imported frozen fruit sorbet under AGOA from Dynamic Commodities of Port Elizabeth, South Africa. Dynamic Commodities sources pineapples, apples, oranges, lemons, and coconuts from South Africa. Its employees remove the fruit pulp from the shells by hand, and fill each fruit shell with sorbet processed in its ice cream plant. With technical and marketing assistance from the USAID-funded South Africa International Business Linkages (SAIBL) program, the company secured a major contract with 7-Eleven in 2003. Since then, Costco and Wal-Mart have begun stocking its sorbet in stores around the United States.

Dynamic Commodities employs approximately 200 workers, primarily from historically disadvantaged backgrounds in South Africa's Eastern Cape (one of the country's poorest provinces). Its sorbet was one of the first processed food products that the United States imported under AGOA, which eliminated a roughly 17 percent tariff. According to trade statistics, U.S. imports of "edible ice, non-ice cream" products from South Africa increased from approximately \$0.8 million in 2003 to \$1.8 million in 2004.

Because of AGOA, a small African business now has greater earning potential through its access to the U.S. market.